

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, MAY 24, 2021

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COMMONWEALTH OF VIRGINIA, *ex rel.*

STATE CORPORATION COMMISSION

CASE NO. INS-2021-00023

Ex Parte: In the matter of adoption of
adjusted prima facie rates for credit life
and credit accident and sickness insurance
pursuant to §§ 38.2-3275, 38.2-3726,
38.2-3727, and 38.2-3730 of the Code of Virginia

ORDER SCHEDULING HEARING

Pursuant to § 38.2-3730 B of the Code of Virginia ("Code"), the State Corporation Commission ("Commission") is required to conduct a hearing for the purpose of determining the actual loss ratio for credit life and credit accident and sickness insurance and to adjust the prima facie rates, in accordance with §§ 38.2-3726 and 38.2-3727 of the Code, by applying the ratio of the actual loss ratio to the loss ratio standard set forth in § 38.2-3725 of the Code to the prima facie rates. These rates are to be effective for the triennium commencing January 1, 2022.

The adjusted prima facie rates have been calculated and proposed on behalf of and by the Bureau of Insurance ("Bureau") in accordance with the provisions of Chapter 37.1 of Title 38.2 of the Code (§§ 38.2-3717 *et seq.*) and are attached hereto.

Accordingly, it is ORDERED THAT:

- (1) This matter is docketed and assigned Case No. INS-2021-00023.
- (2) The adjusted prima facie rates that have been calculated and proposed on behalf of and by the Bureau in accordance with the provisions of Chapter 37.1 of Title 38.2 of the Code (§§ 38.2-3717 *et seq.*), attached hereto, are made a part hereof.

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(3) In accordance with Rule 5 VAC 5-20-120 A of the Commission's Rules of Practice and Procedure (5 VAC 5-20-10 *et seq.*) ("Commission Rules"), a hearing examiner hereby is appointed to conduct all further proceedings in this matter on behalf of the Commission and to file a final report.

(4) Pursuant to § 38.2-3730 B of the Code, a public hearing shall be convened virtually on July 13, 2021, at 10:00 a.m., via Microsoft Teams.

(5) On or before June 22, 2021, the Bureau shall pre-file any written reports or other data in support of the proposed adjusted prima facie rates with the Clerk of the Commission and shall refer to Case No. INS-2021-00023.

(6) On or before June 29, 2021, any person who expects to participate in the hearing as a respondent shall file a notice of participation in accordance with the provisions of Commission Rule 5 VAC 5-20-80 B. If not filed electronically, an original and eight (8) copies of such notice of participation shall be filed with the Clerk of the Commission. For the duration of the COVID-19 public health emergency, any person seeking to hand deliver and physically file or submit any pleading or other document shall contact the Clerk's Office Document Control Center at (804) 371-9838 to arrange the delivery. All filings shall refer to Case No. INS-2021-00023.

(7) On or before July 6, 2021, any person previously filing a notice of participation who wishes to participate in the hearing as a respondent shall file the testimony and exhibits of each witness expected to present direct testimony to establish the respondent's case. If not filed electronically, an original and eight (8) copies of such testimony and exhibits shall be filed with the Clerk of the Commission. For the duration of the COVID-19 public health emergency, any person seeking to hand deliver and physically file or submit any pleading or other document

shall contact the Clerk's Office Document Control Center at (804) 371-9838 to arrange the delivery. All filings shall refer to Case No. INS-2021-00023, and copies thereof simultaneously shall be delivered to any respondent requesting the same.

(8) All interested persons who desire to file written comments in support of or in opposition to the proposed adjusted prima facie rates shall file such comments on or before July 6, 2021, in writing with Bernard Logan, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia, 23218-2118, and shall refer to Case No. INS-2021-00023. Interested persons desiring to submit comments electronically in this case may do so on or before July 6, 2021 by following the instructions available on the Commission's website: scc.virginia.gov/case.

(9) Any public witness who desires to make a statement at the hearing on his or her own behalf, either for or against the proposed adjusted prima facie rates for credit life and credit accident and sickness insurance, but not otherwise participate in the hearing, is invited to do so as follows:

- (a) The receipt of testimony from public witnesses shall take place telephonically at 10:30 a.m. on July 13, 2021, with no witness present in the Commission's courtroom.
- (b) To promote fairness for all public witnesses, each witness will be allotted five (5) minutes to provide testimony.
- (c) On or before July 6, 2021, any person desiring to offer testimony as a public witness shall provide to the Commission (a) your name, and (b) the telephone number that you wish the Commission to call during the hearing to receive your testimony. This information may be provided to the Commission in three ways: (i) by filling out a form on the Commission's website at scc.virginia.gov/pages/Webcasting, *Public Witness Form*; (ii) by completing and emailing the PDF version of this form to SCCInfo@scc.virginia.gov; or (iii) by calling (804) 371-9141.
- (d) Beginning at 10:30 a.m. on July 13, 2021, the Commission will telephone sequentially each person who has signed up to testify as provided above.

(e) This public hearing will be webcast at scc.virginia.gov/pages/Webcasting.

(10) The Commission's Division of Information Resources shall make available this Order and the attached proposed adjusted rates on the Commission's website: scc.virginia.gov/case.

(11) A COPY hereof shall be sent by the Clerk of the Commission to: Julie S. Blauvelt, Deputy Commissioner, Bureau of Insurance, State Corporation Commission, who shall cause a copy hereof to be sent to every insurance company licensed by the Bureau to transact the business of credit life and credit accident and sickness insurance in the Commonwealth of Virginia, and to all other interested persons, and who shall file in the record of this proceeding an affidavit evidencing compliance with this Order.

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ATTACHMENT

Case No. INS-2021-00023

**ADJUSTED PRIMA FACIE
CREDIT LIFE
AND
CREDIT ACCIDENT AND SICKNESS
INSURANCE RATES
EFFECTIVE JANUARY 1, 2022
THROUGH DECEMBER 31, 2024**

2022 - 2024 TRIENNIAL CREDIT LIFE INSURANCE RATES

\$0.6672 per month per \$1,000.00 of outstanding insured indebtedness if premiums are payable on a monthly outstanding balance basis.

\$0.4259 per \$100.00 of initial indebtedness repayable in twelve equal monthly installments.

Virginia Bureau of Insurance
2022 Credit Accident & Sickness Proposed Rates
Single Premium Rates per \$100 of Initial Insured Indebtedness - Repayable in Equal Monthly Installments

Benefit Period (Months)	7-Day Coverages		14-Day Coverages		30-Day Coverages	
	Retroactive	Non-Retroactive	Retroactive	Non-Retroactive	Retroactive	Non-Retroactive
1	0.93	0.70	0.87	0.54	0.66	0.30
2	1.12	0.90	1.02	0.69	0.75	0.39
3	1.25	1.04	1.14	0.80	0.82	0.47
4	1.35	1.14	1.22	0.90	0.87	0.52
5	1.42	1.22	1.29	0.97	0.92	0.57
6	1.51	1.29	1.34	1.04	0.96	0.61
7	1.54	1.33	1.40	1.08	1.00	0.66
8	1.58	1.39	1.43	1.13	1.04	0.68
9	1.63	1.42	1.47	1.14	1.05	0.71
10	1.66	1.47	1.51	1.20	1.07	0.75
11	1.69	1.49	1.54	1.23	1.10	0.77
12	1.71	1.51	1.56	1.25	1.12	0.78
13	1.74	1.54	1.58	1.28	1.14	0.80
14	1.77	1.57	1.61	1.30	1.14	0.82
15	1.78	1.58	1.63	1.32	1.17	0.84
16	1.82	1.62	1.66	1.35	1.20	0.87
17	1.83	1.65	1.68	1.38	1.21	0.88
18	1.88	1.66	1.71	1.41	1.24	0.90
19	1.89	1.70	1.73	1.42	1.25	0.92
20	1.91	1.73	1.74	1.47	1.27	0.95
21	1.95	1.74	1.78	1.48	1.29	0.96
22	1.97	1.78	1.79	1.51	1.32	0.98
23	1.99	1.78	1.82	1.53	1.32	1.00
24	2.03	1.83	1.84	1.55	1.34	1.02
25	2.04	1.83	1.87	1.57	1.36	1.04
26	2.05	1.86	1.88	1.58	1.37	1.05
27	2.08	1.88	1.91	1.61	1.39	1.05
28	2.08	1.89	1.91	1.63	1.40	1.07
29	2.10	1.91	1.91	1.65	1.42	1.08
30	2.14	1.91	1.95	1.66	1.42	1.10
31	2.15	1.96	1.97	1.66	1.44	1.12
32	2.15	1.97	1.99	1.70	1.47	1.13
33	2.17	1.99	1.99	1.71	1.47	1.14
34	2.20	2.00	2.01	1.73	1.49	1.14
35	2.22	2.01	2.03	1.74	1.51	1.16
36	2.23	2.04	2.04	1.75	1.51	1.18
37	2.25	2.05	2.06	1.78	1.51	1.20
38	2.25	2.06	2.08	1.78	1.54	1.21
39	2.27	2.08	2.08	1.79	1.54	1.22
40	2.29	2.09	2.10	1.82	1.55	1.23

Virginia Bureau of Insurance
2022 Credit Accident & Sickness Proposed Rates
Single Premium Rates per \$100 of Initial Insured Indebtedness - Repayable In Equal Monthly Installments

Benefit Period (Months)	7-Day Coverages		14-Day Coverages		30-Day Coverages	
	Retroactive	Non-Retroactive	Retroactive	Non-Retroactive	Retroactive	Non-Retroactive
41	2.30	2.10	2.12	1.83	1.57	1.25
42	2.31	2.13	2.14	1.84	1.58	1.25
43	2.33	2.14	2.15	1.87	1.58	1.26
44	2.34	2.15	2.15	1.88	1.60	1.28
45	2.35	2.16	2.17	1.89	1.61	1.29
46	2.36	2.17	2.18	1.91	1.63	1.30
47	2.40	2.20	2.21	1.91	1.63	1.32
48	2.40	2.22	2.23	1.91	1.65	1.32
49	2.42	2.23	2.23	1.95	1.66	1.33
50	2.42	2.24	2.25	1.97	1.66	1.34
51	2.42	2.25	2.25	1.97	1.66	1.36
52	2.43	2.25	2.25	1.99	1.69	1.37
53	2.46	2.27	2.27	1.99	1.70	1.38
54	2.47	2.29	2.29	2.00	1.71	1.39
55	2.49	2.30	2.30	2.01	1.71	1.40
56	2.50	2.31	2.30	2.03	1.73	1.42
57	2.52	2.33	2.33	2.04	1.74	1.42
58	2.52	2.34	2.34	2.06	1.74	1.42
59	2.52	2.34	2.34	2.08	1.74	1.44
60	2.53	2.35	2.35	2.08	1.77	1.45
61	2.53	2.36	2.36	2.09	1.78	1.47
62	2.56	2.40	2.39	2.10	1.78	1.47
63	2.58	2.40	2.40	2.12	1.78	1.49
64	2.59	2.41	2.40	2.14	1.79	1.49
65	2.61	2.42	2.42	2.14	1.82	1.51
66	2.61	2.42	2.42	2.15	1.82	1.51
67	2.61	2.43	2.42	2.15	1.83	1.51
68	2.62	2.44	2.43	2.17	1.83	1.53
69	2.64	2.47	2.44	2.17	1.84	1.54
70	2.65	2.47	2.47	2.20	1.84	1.54
71	2.66	2.49	2.48	2.21	1.87	1.56
72	2.68	2.50	2.49	2.23	1.88	1.57
73	2.68	2.51	2.50	2.23	1.88	1.58
74	2.70	2.52	2.51	2.25	1.89	1.58
75	2.70	2.52	2.52	2.25	1.91	1.60
76	2.70	2.52	2.52	2.25	1.91	1.60
77	2.73	2.53	2.52	2.26	1.91	1.61
78	2.73	2.53	2.53	2.27	1.91	1.63
79	2.75	2.56	2.53	2.28	1.91	1.63
80	2.76	2.58	2.56	2.30	1.95	1.64

Virginia Bureau of Insurance
2022 Credit Accident & Sickness Proposed Rates
Single Premium Rates per \$100 of Initial Insured Indebtedness - Repayable in Equal Monthly Installments

Benefit Period (Months)	7-Day Coverages		14-Day Coverages		30-Day Coverages	
	Retroactive	Non-Retroactive	Retroactive	Non-Retroactive	Retroactive	Non-Retroactive
81	2.77	2.59	2.58	2.30	1.96	1.65
82	2.77	2.61	2.59	2.33	1.97	1.66
83	2.78	2.61	2.61	2.33	1.97	1.66
84	2.79	2.61	2.61	2.34	1.97	1.66
85	2.79	2.62	2.61	2.34	1.99	1.69
86	2.79	2.64	2.61	2.35	1.99	1.69
87	2.82	2.64	2.62	2.36	1.99	1.70
88	2.83	2.65	2.64	2.39	2.00	1.71
89	2.84	2.66	2.64	2.40	2.01	1.71
90	2.85	2.68	2.66	2.40	2.03	1.73
91	2.86	2.68	2.67	2.41	2.03	1.73
92	2.88	2.69	2.68	2.42	2.04	1.74
93	2.88	2.70	2.68	2.42	2.04	1.74
94	2.88	2.70	2.70	2.43	2.05	1.74
95	2.88	2.73	2.70	2.43	2.06	1.77
96	2.88	2.73	2.70	2.44	2.08	1.78
97	2.90	2.74	2.73	2.47	2.08	1.78
98	2.92	2.75	2.73	2.47	2.08	1.78
99	2.92	2.76	2.74	2.49	2.08	1.78
100	2.95	2.77	2.75	2.49	2.09	1.79
101	2.95	2.77	2.76	2.50	2.10	1.82
102	2.95	2.78	2.77	2.52	2.10	1.82
103	2.97	2.79	2.77	2.52	2.12	1.83
104	2.97	2.79	2.78	2.52	2.14	1.83
105	2.98	2.79	2.79	2.52	2.14	1.83
106	2.99	2.82	2.79	2.53	2.15	1.84
107	2.99	2.83	2.79	2.53	2.15	1.86
108	3.01	2.84	2.79	2.55	2.15	1.87
109	3.01	2.85	2.82	2.57	2.15	1.88
110	3.02	2.86	2.83	2.58	2.16	1.88
111	3.02	2.87	2.84	2.59	2.17	1.88
112	3.03	2.88	2.85	2.60	2.17	1.89
113	3.04	2.88	2.86	2.61	2.18	1.91
114	3.05	2.88	2.87	2.61	2.20	1.91
115	3.06	2.88	2.88	2.61	2.21	1.91
116	3.07	2.88	2.88	2.62	2.22	1.91
117	3.07	2.90	2.88	2.62	2.23	1.91
118	3.08	2.92	2.88	2.64	2.23	1.92
119	3.09	2.92	2.88	2.64	2.23	1.95
120	3.10	2.95	2.90	2.66	2.24	1.96